Refining capacity of crude oil

1596. SHRI RAMDAS AGARWAL:
SHRI DARA SINGH:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is any scheme to increase the refining capacity of crude oil in coming years in the country;

(b) if so, the total capacity likely to be coming in five years including the capacity of Government and private sector refineries separately;

(c) whether the said production capacity is likely to remain higher than the consumption of petroleum products; and

(d) if so, the estimates of consumption and production capacity of the country?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) and (b) The refinery sector was delicensed in June, 1998. Since then a refinery can be set up anywhere in India by private or public sector enterprises depending on the promotor's assessment of its viability. It is not the Central Government but public and private sector enterprises who consider proposal for setting up refineries. These companies have made plans to put up additional refining capacity by the year 2011-12. The refining capacity by the year 2012 is estimated to be 240.96 million metric tonnes per annum (MMTPA) with public sector share of 158.96 MMTPA and private sector share of 82 MMTPA.

(c) and (d) Yes Sir. At present refining capacity is 148.97 MMTPA. The demand of petroleum products for the terminal year (2011-12) of Xlth Five Plan is estimated to be 131.8 million metric tonnes (MMT).

Hike in prices of petroleum products

1597. SHRI ABU ASIM AZMI: Will the Minister of PETROLEUM AND NATURAL GAS
be pleased to state:

(a) whether Government is actively considering the hike in prices of gas and other petroleum products;

(b) if so, the details thereof;

(c) whether the prices of crude oil have been increased at the international level;

(d) if so, the details of the number of times the said hike has been made;

(e) whether the production of oil in the country is below its target; and

(f) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) and (d) As regards pricing of sensitive petroleum products namely petrol, diesel, PDS Kerosene and Gas (Domestic LPG), Governemnt has been taking all possible meaures to ensure that there is no hardship to the common man. The Government has adopted the principle of equitable burden sharing to protect the interest of common man and vulnerable sections of society. The Government is closely monitoring the international oil prices and will continue to protect the interests of consumers.

The global prices of crude oil and petroleum products have remained high and volatile. The price of crude oil fluctuates in the international market on daily basis. The trend in the internationl oil prices since April, 07 is given below.

	Crude oil (Indian Basket) $/bbl	Petrol $/bbl	Diesel $/bbl
Apr' 07	65.52	82.68	77.50
May' 07	65.74	87.96	78.79
Jun' 07	- 68.19	83.82	79.09
Jul' 07	72.69	84.36	82.86
Aug' 07	69.03	76.05	79.95
Sep' 07	74.83	81.35	88.02
Oct' 07	79.33	87.46	92,62

Despite increase in the international oil prices, the Government has not increased the retail selling prices of sensitive petroleum products namely petrol, disel, PDS Kerosene and Domestic LPG. On the basis of softening in international oil prices during the second half of 2006-07, the prices of petrol and diesel were reduced on 30.11.2006 and again reduced on 16.2.2007. The reduction was Rs. 2/litre for petrol and Rs. 1/Litre for petrol and diesel respectively on each occasion (Delhi price).

(e) and (0 The domestic crude oil production during 2006-07 was 33.988 MMT as against the target/projection of 35.549 MMT in the country.

Indo-Iran Gas Pipeline Project

1598. SHRIMATI JAYA BACHCHAN : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what is the current position in respect of Indo-Iran Gas Pipeline Project;

(b) whether it is a fact that Pakistan is also seeking a similar project from Iran;

(c) if so, whether the terms offered to Pakistan is more favourable than what have been offered to us; and

(d) if so, what are the reasons?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) to (d) India and Pakistan have been pursuing import of natural gas from Iran through the Iran-Pakistan-India (IPI) transnational gas pipeline. Various important issues, including agreements related to the project, are under discussion amongst the participating countries.

Setting up of K.D. Malavya Oil Museum

1599. SHRI SILVIUS CONDPAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) when the construction work of the K.D. Malavya Oil Museum proposed to be set up at Khanapara at Guwahati will start; and

(b) the reasons for such long delay of executing the project, which was already approved during the regime of Late Shri RV. Narasimha Rao?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) and (b) Information is being collected and will be tabled in the House.